



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

March 25, 2009

Tess Faulk, Training Specialist, Organizational Development
AMN Healthcare, Inc.
12400 High Bluff Drive
San Diego CA 92130

Dear Ms. Faulk:

RE: **FINAL MONITORING REPORT** for AMN Healthcare, Inc. (AMN) – ET07-0273

Date of the Visit:	02/04/09
Beginning/Ending Time:	1:30 p.m. – 3:00 p.m.
Date of Last Visit:	07/02/08
Visit Location:	San Diego, California
Persons in attendance:	Tess Faulk, Training Specialist, Organizational Development, AMN; Brooke Perez, Tax Manager, Deloitte Tax LLP (Deloitte), and Carole Robinson ETP Contract Analyst.
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	02/06/07 – 02/05/09	Agreement Amount:	\$467,880
Training Start Date:	02/06/07	No. to Retain:	557
Date Training must be Completed:	11/05/08	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	56

FINAL REPORT SUMMARY:

• HISTORY OF AGREEMENT CHANGES

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (04/15/05)

The Agreement was executed on 02/28/07 and training began on 02/06/07. You reported that all training was completed on 11/05/08, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement (02/05/09).

- **INTERVIEW WITH COMPANY REPRESENTATIVE**

You reported AMN experienced minor difficulties with the administration of the Agreement. Although you stated using the ETP upload feature was easy, AMN uploaded some trainee tracking information into the ETP On-line System that occasionally was inaccurate. However, AMN's administrative subcontractor, Brooke Perez, representing Deloitte Tax LLC, stated that a 100 percent audit was performed by the company and all trainee records were corrected prior to submission of any Invoices to ETP for reimbursement purposes.

You stated that it was somewhat difficult for AMN's trainers to differentiate and report ETP eligible classes from those ineligible courses conducted by the company. As a result, it is possible that some class/lab training was not captured for ETP reimbursement purposes. In addition, three key AMN employees involved in the development and initial coordination of the Agreement are no longer with the company. This change, coupled with AMN's business restructuring efforts in early 2008 which moved several company trainers into different positions in Accounting/Payroll/Billing, resulted in decreased scheduling and delivery of ETP eligible training sessions.

Despite performance issues with this Agreement that precluded delivery of many of the proposed training topics, you reported that AMN has seen positive changes within the company. Management and Continuous Improvement Skills training improved employees' support of the company goals of building successful leaders with better communication skills. The positive impact of ETP funded training has led to more internal promotions for those who attended these classes and improved several integrated processes in the company's human resource development.

According to ETP records at the time of this final meeting, AMN retained 119 employees (21% of planned retention). Based on ETP Fiscal records, AMN will potentially earn a total reimbursement of \$67,665 (15 percent of the encumbered amount). However two Invoices were subsequently submitted to ETP during closeout of the Agreement which, have not been processed, for a total of \$53,880. If approved for Final payment in this amount, AMN will have earned 12% of the encumbered amount.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Enrolled:	607	Completed Training:	119
Dropped Following Enrollment:	488	Completed Retention:	119
No. Completed Minimum Reimbursable Hours :	119	In Retention Period:	0

ATTENDANCE ROSTERS/INVOICES:

Ms. Robinson reviewed all class/lab attendance rosters to date for five randomly selected trainees who are enrolled in Job 1. She compared the rosters to the Agreement's Curriculum and checked to ensure that each roster contained the necessary information required by ETP, under Title 22, California Code of Regulations, 4442. In addition, she compared the number of training hours in AMN's tracking records for the five retrainees selected with the number of training hours documented on the applicable Class/lab Rosters.

Ms. Robinson found that the records reviewed for the five selected retrainees contained the necessary information required by ETP and the Class topics matched those contained in the Agreement's Curriculum. The review of the above sample also verified that the hours reported on AMN's tracking records matched those contained within the applicable Class/lab Rosters.

As reported in previous Monitoring Reports, AMN elected to submit all Invoices during closeout of this Agreement.

SUBAGREEMENTS:

Ms. Perez reported that Deloitte's subagreement relating to assistance with administrative activities and all invoices, etc., for outside vendor training activities for this Agreement were previously provided to Ms. Robinson during ETP Monitoring Visits. Ms. Perez submitted the required information for all subagreements using the Subcontractor List, ETP 100D via ETP's on-line system.

AUDIT:

AMN will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information contained in this letter, please contact Carole Robinson at (619) 686-4971, within ten (10) working days from the receipt date of this letter.

Sincerely,



For Diana Torres, Manager
San Diego Field Office



Carole Robinson, Contract Analyst
San Diego Field Office

cc: Deloitte Tax, LLC
Kulbir Mayall, Manager, ETP Fiscal Unit
Master File
SD Project File

Date report mailed to Contractor 03/25/09